- 6 -

() 3. A

th user ntered message auth ntication code 272a (step S30). At step S32, the postage m t ring system 202 compares the results of th decryption process to determine if the postage metering serial number and inspection date which it has stored within memory 226 matches the decrypted values. If the answer is "NO", the user is advised via the monitor 206 that an incorrect code has been entered and requests the user to try again (step S34). However, if the answer at step 32 is "YES", the user entered code 272a is stored within memory 226 (step S36) for use at the next communication between the postage metering system 202 and the data center 222. The above code authentication procedure precludes the situation where a user inadvertently enters a wrong code and loses the challenge card 272. In this situation, at the time of the inspection process described below, the improperly stored code will not permit postage metering system 202 location verification and the user will not be able to reenter the proper code since the challenge card has been lost.

In The Claims

Please replace claim 6 with the following:

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6. A method as recited in claim 1, wherein the challenge card is one of a smart card, a floppy diskette, or a CD-ROM.